

INFORMATION SERVICES

BUDGET UNIT: NETWORK SERVICES (IAM ALL)

I. GENERAL PROGRAM STATEMENT

Information Services' Network Services Division provides countywide telephone, microwave and radio services and the operation of related hardware, software and communications facilities, including a network of microwave sites.

The Network Services budget unit is an Internal Service Fund (ISF). As an ISF any unrestricted net assets available at the end of a fiscal year are carried over to the next fiscal year and are used as working capital and for replacement of fixed assets. Any excess or shortage is incorporated into the rates structure.

II. BUDGET & WORKLOAD HISTORY

	Actual 2001-02	Budget 2002-03	Estimated 2002-03	Department Request 2003-04
Total Operating Expense	19,517,107	20,172,114	19,335,069	17,499,757
Total Revenue	19,794,354	18,172,114	18,172,114	17,499,757
Revenue Over/(Under) Expense	277,247	(2,000,000)	(1,162,955)	-
Budgeted Staffing		110.1		102.2
Fixed Assets	2,348,654	2,585,785	2,167,783	2,491,319
Unrestricted Net Assets Available at Yr End	3,864,562		2,650,950	

Workload Indicators

Service Calls	22,567	26,000	26,000	21,500
Radios	8,845	9,424	9,424	9,200
Telephone	19,646	19,000	19,000	19,500
Circuits	1,582	1,582	1,582	1,237

In 2002-03 operating expenses are estimated to be under budget by \$837,045 as a result of cost reduction measures implemented in anticipation of reduced revenue caused by state budget cuts and the county's purchasing and hiring freeze. In 2002-03 revenue is projected to meet budget. The \$1,162,955 expense over revenue results from the approved \$2.0 million one-time funding of the Geographical Information System (GIS) project from the use of unrestricted net assets in this fund.

III. HIGHLIGHTS OF RECOMMENDED PROGRAM FUNDED ADJUSTMENTS

STAFFING CHANGES

Overall budgeted staffing decreased by 7.9 positions. This resulted from a combination of adding and deleting positions of various classifications to adjust for workload changes.

Sixteen positions were deleted, which included 2.0 Clerk II; 9.0 Communications Technician II; 1.0 Network Control Specialist; 2.0 Electronic Drafting Technician; 1.0 Multimedia Coordinator; and 1.0 Telephone Service Specialist.

Usage of overtime equivalent to 5.1 budgeted staffing (0.3 Help Desk Technician; 0.8 Communications Installer; 0.5 800 MHz Analyst; 2.7 Communications Technician I, II, III; and 0.8 Supervising Communications Technician) is increased to meet current workload; 2.0 Communications Technician III are added to provide senior field service skills that require independent judgment; and 1.0 Network Services Supervisor is added to provide supervision of the Network Control area.

INFORMATION SERVICES

PROGRAM CHANGES

These increases are more than offset by \$1,952,895 in reduced expenses. This reduction comes mostly from reduced outside communication services and electronic parts that include data/voice circuits, network trunking, intra/inter state connectivity for calls off the county's microwave network and other communication services needed to manage the county's 19,500 user telephone system. Budgeted costs for these areas were increased in 2002-03 to support projected growth in new county facilities and system upgrades. This growth did not occur as expected and outside communication services and parts cost budget have been reduced to reflect recent expense trends and requirements.

OTHER CHANGES

None.

IV. VACANT POSITION IMPACT

The department has a total of 10.0 vacant budgeted positions in their 2003-04 Department Request Budget. The breakdown of these positions is as follows:

Vacant Budgeted Not In Recruitment	9.0	Slated for Deletion
Vacant Budgeted In Recruitment	<u>1.0</u>	Retain
Total Vacant	10.0	

The department did not submit a vacant position restoration request.

V. OTHER POLICY ITEMS

None.

VI. FEE CHANGES

None.

GROUP: Administrative/Executive Group
DEPARTMENT: Information Services - Network Services
FUND: Internal Services IAM ALL

FUNCTION: General
ACTIVITY: Tele., Microwv., Radio

ANALYSIS OF 2003-04 BUDGET

	A	B	C	D	B+C+D E Board Approved Base Budget
	2002-03 Year-End Estimates	2002-03 Final Budget	Base Year Adjustments	Mid-Year Adjustments	
<u>Appropriation</u>					
Salaries and Benefits	6,258,935	7,095,980	666,644	-	7,762,624
Services and Supplies	11,196,219	11,204,153	(2,000,000)	-	9,204,153
Central Computer	17,050	9,116	-	-	9,116
Other Charges	67,208	67,208	-	-	67,208
Transfers	468,571	468,571	-	-	468,571
Total Appropriation	18,007,983	18,845,028	(1,333,356)	-	17,511,672
Depreciation	<u>1,327,086</u>	<u>1,327,086</u>	<u>-</u>	<u>-</u>	<u>1,327,086</u>
Total Operating Expense	19,335,069	20,172,114	(1,333,356)	-	18,838,758
<u>Revenue</u>					
Use of Money & Property	1,500	1,500	-	-	1,500
Current Services	<u>18,170,614</u>	<u>18,170,614</u>	<u>(1,287,000)</u>	<u>-</u>	<u>16,883,614</u>
Total Revenue	18,172,114	18,172,114	(1,287,000)	-	16,885,114
Rev Over/(Under) Exp.	(1,162,955)	(2,000,000)	46,356	-	(1,953,644)
<u>Fixed Asset Exp.</u>					
Equipment	1,750,000	1,750,000	-	-	1,750,000
Equip/Lease Purchase	<u>835,785</u>	<u>835,785</u>	<u>-</u>	<u>-</u>	<u>835,785</u>
Total Fixed Assets	2,585,785	2,585,785	-	-	2,585,785
Budgeted Staffing		110.1	-	-	110.1

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DEPARTMENT: Information Services - Network Services
FUND: Internal Service IAM ALL

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ANALYSIS OF 2003-04 BUDGET

	E Board Approved Base Budget	F Recommended Program Funded Adjustments	E+F G 2003-04 Department Request	H Vacant Position Impact	G+H I 2003-04 Proposed Budget (Adjusted)	J Recommended Vacant Restoration	I+J K 2003-04 Recommended Budget
<u>Appropriation</u>							
Salaries and Benefits	7,762,624	(61,723)	7,700,901	(654,423)	7,046,478	-	7,046,478
Services and Supplies	9,204,153	(1,342,895)	7,861,258	-	7,861,258	-	7,861,258
Central Computer	9,116	26,402	35,518	-	35,518	-	35,518
Other Charges	67,208	(13,494)	53,714	-	53,714	-	53,714
Transfers	<u>468,571</u>	<u>16,346</u>	<u>484,917</u>	<u>-</u>	<u>484,917</u>	<u>-</u>	<u>484,917</u>
Total Appropriation	17,511,672	(1,375,364)	16,136,308	(654,423)	15,481,885	-	15,481,885
Depreciation	<u>1,327,086</u>	<u>36,363</u>	<u>1,363,449</u>	<u>-</u>	<u>1,363,449</u>	<u>-</u>	<u>1,363,449</u>
Total Operating Expense	18,838,758	(1,339,001)	17,499,757	(654,423)	16,845,334	-	16,845,334
<u>Revenue</u>							
Use of Money & Property	1,500	(1,000)	500	-	500	-	500
Current Services	<u>16,883,614</u>	<u>615,643</u>	<u>17,499,257</u>	<u>(654,423)</u>	<u>16,844,834</u>	<u>-</u>	<u>16,844,834</u>
Total Revenue	16,885,114	614,643	17,499,757	(654,423)	16,845,334	-	16,845,334
Rev Over/(Under) Exp.	(1,953,644)	1,953,644	-	-	-	-	-
<u>Fixed Asset Exp.</u>							
Equipmnet	1,750,000	(150,000)	1,600,000	-	1,600,000	-	1,600,000
Equip/Lease Purchase	<u>835,785</u>	<u>55,534</u>	<u>891,319</u>	<u>-</u>	<u>891,319</u>	<u>-</u>	<u>891,319</u>
Total Fixed Assets	2,585,785	(94,466)	2,491,319	-	2,491,319	-	2,491,319
Budgeted Staffing	110.1	(7.9)	102.2	(9.0)	93.2	-	93.2

INFORMATION SERVICES

Base Year Adjustments

Salaries and Benefits	<u>666,644</u>	Increased due to MOU, Retirement and Workers Comp Adjustments.
Services and Supplies	<u>(2,000,000)</u>	One-time funding for GIS parcel base map project transferred to IAJ.
Total Operating Expense	<u>(1,333,356)</u>	
Total Revenue	<u>(1,287,000)</u>	Decrease to reflect reduced telephone rate from \$32.50 to \$27.00.
Revenue Over/(Under) Exp	<u>46,356</u>	

The Telephone rate will decrease from \$32.50 to \$27.00 effective with the beginning of the new fiscal year. This rate reduction is achievable from the completion of the multi-year telephone network switch infrastructure upgrade program, which resulted in lower operating cost. Project cost associated with the completion of upgrading the telephone systems were deleted resulting in a rate decrease for telephones and annual cost savings of approximately \$1,287,000 to phone users.

Base Year increases of \$666,644 for MOU salary and benefit, Retirement and Workers Comp cost increases were absorbed without any offsetting rate change.

Recommended Program Funded Adjustments

Salaries and Benefits	<u>(61,723)</u>	Decrease reflecting deletion of positions, increase overtime usage and step advances and addition of supervisor position.
Services and Supplies	<u>(1,902,895)</u>	Decrease cost of outside phone company services and supplies to show cost reduction efforts and to adjust to workload changes.
	<u>579,088</u>	Increase long distance usage by county departments.
	<u>(19,088)</u>	GASB 34 Accounting Change (EHAP).
	<u>(1,342,895)</u>	
Central Computer	<u>26,402</u>	Increase usage of Central Computer Operations ISF services.
Other Charges	<u>(13,494)</u>	Decrease interest charges on fully paid lease-purchase loans.
Transfers In/Out	<u>(2,742)</u>	Decrease reflect's a new accounting method for EHAP and cost increases in allocated admin cost.
	<u>19,088</u>	GASB 34 Accounting Change (EHAP).
	<u>16,346</u>	
Depreciation	<u>36,363</u>	Increase to reflect full year depreciation of new fixed asset purchases.
Total Operating Expense	<u>(1,339,001)</u>	Cost reduction to stay within projected revenues.
Use of Money and Property	<u>(1,000)</u>	
Current Services	<u>615,643</u>	Increase due to projected higher long distance usage and service contracts.
Total Revenue	<u>614,643</u>	
Revenue Over/(Under) Exp	<u>1,953,644</u>	
Fixed Asset Expense		
Equipment	<u>(150,000)</u>	Decrease as part of the cost reduction plan.
Equipment lease-Purchase	<u>55,534</u>	Increase principal for new lease-purchase loans of proposed lease purchase of telephone systems.
Total Fixed Assets	<u>(94,466)</u>	

INFORMATION SERVICES

Vacant Position Impact Summary

	Authorized	Budgeted Staffing	Salary and Benefit Amount	Revenue	Rev Over (Under)
Vacant Budgeted Not In Recruitment - Delete	9	9.0	654,423	654,423	-
Vacant Budgeted in Recruitment - Retain	1	1.0	42,173	42,173	-
Total Vacant	10	10.0	696,596	696,596	-
Recommended Resoration of Vacant Deleted		-	-	-	-

Vacant Position Impact IAM ALL Detail

	Position Number	Budgeted Staffing	Salary and Benefit Amount	Revenue	Rev Over (Under)
Note: If position is seasonal indicate next to Classification (Seasonal:May thru August)					
<u>Vacant Budgeted Not in Recruitment</u>					
Communications Tech II	00000821	(1.0)	(58,922)	(58,922)	-
Communications Tech II	00000817	(1.0)	(58,922)	(58,922)	-
Communications Tech III	00074091	(1.0)	(62,911)	(62,911)	-
Communications Tech III	00074090	(1.0)	(69,051)	(69,051)	-
Supvg Comm Technician	00074085	(1.0)	(94,494)	(94,494)	-
DeputyChief of NetworkServices	00012714	(1.0)	(101,425)	(101,425)	-
Network Control Specialist	00012720	(1.0)	(66,462)	(66,462)	-
Network Control Supervisor	00012717	(1.0)	(73,489)	(73,489)	-
Supvg Comm Technician	00013870	(1.0)	(68,747)	(68,747)	-
Total Slated for Deletion		(9.0)	(654,423)	(654,423)	-
<u>Vacant Budgeted In Recruitment - Retain</u>					
Equipment Parts Specialist I	9914	1.0	42,173	42,173	-
Total in Recruitment Retain		1.0	42,173	42,173	-

NOTE: If applicable, the vacant position will be bolded if included in the 30% Cost Reduction Plan not yet implemented.
If applicable, the seasonal vacant position that is currently not filled will indicate which months they are needed.